

## Message Text

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11

ACTION EB-11

INFO OCT-01 ARA-11 ADP-00 AID-20 NSC-10 RSC-01 CIEP-02

TRSE-00 SS-15 STR-08 OMB-01 CEA-02 CIAE-00 COME-00

FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12 LAB-06 SIL-01

PA-03 PRS-01 USIA-12 L-03 H-02 SCEM-02 INT-08 EPA-04

CEQ-02 RSR-01 PM-09 DODE-00 /167 W  
----- 002918

R 072107 Z MAY 73

FM AMEMBASSY BRASILIA  
TO SECSTATE WASHDC 2534  
INFO AMCONSUL BELEM  
AMCONSUL PORTO ALEGRE  
AMCONSUL RECIFE  
AMCONSUL RIO DE JANEIRO  
AMCONSUL SALVADOR  
AMCONSUL SAO PAULO

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E. O. 11652: N/A

TAGS: ENRG, BR

SUBJ: REACTION TO PRESIDENT' S ENERGY MESSAGE

1. IN CONVERSATION WITH EMBOFF, EHIEF OF CABINET TO  
MINISTER OF MINES AND ENERGY MENTIONED THAT HE HAD RECEIVED  
COPIES OF PRESIDENT NIXON' S ENERGY MESSAGE FROM EMBASSY AND  
WAS STUDYING DOCUMENT CLOSELY. HE SAID THAT HE AND OTHER  
MINISTRY OFFICIALS WERE IMPRESSED BY COMPREHENSIVE SCOPE  
OF USG' S NEW ENERGY STRATEGY AND FELT THAT MESSAGE WOULD  
HAVE DRAMATIC IMPACT IN AWAKENING WORLD OPINION TO GRAVITY  
OF ENERGY CRISIS. IN DISCUSSING BRAZILIAN PREOCCUPATIONS ON  
SUBJECT, MINISTRY OFFICIAL FOCUSED ON BRAZIL' S HEAVY DEPENDENCE  
ON FOREIGN SOURCES OF PETROLEUM AND ON FUTURE ELECTRIC ENERGY  
NEEDS. HE SAID THAT UNCERTAINTIES OVER SUPPLY OF MIDDLE  
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EAST OIL DUE POLITICAL CONDITIONS AND AGGRESSIVE PRICING POLICIES OF ARAB PRODUCERS WERE OF MAJOR CONCERN TO GOB AND WOULD CONTINUE TO BE IN THE FUTURE, IN SPITE OF ACCELERATED EFFORTS BY THE STATE OIL ENTERPRISE, ETROBRAS, TO DEVELOP ALTERNATIVE SOURCES AND TO EXPLORE CONTINENTAL SHELF AND DEVELOP TECHNOLOGY FOR ECONOMIC OIL EXTRACTION FROM SHALE DEPOSITS. HE EXPRESSED HOPE THAT IMPROVED RELATIONS BETWEEN US AND SOVIET UNION WOULD AMELIORATE MIDEAST SITUATION. ON PROBLEMS OF ELECTRIC ENERGY, MINISTRY OFFICIAL SAID THAT BY LAST DECADE OF CENTURY, REQUIREMENTS FOR ELECTRICITY AT REASONABLE COST IN SOUTH- CENTRAL PART OF BRAZIL WOULD EXCEED THAT REGION' S CURRENTLY VAST HYDROELECTRIC RESOURCES, AND THAT NEW DEMAND WOULD HAVE TO BE MET BY NUCLEAR GENERATED POWER.

2. COMMENT: WORLD ENERGY CRISIS HAS RECEIVED CONSIDERABLE OFFICIAL AND PUBLIC ATTENTION IN BRAZIL. NUMEROUS PRESS ARTICLES THAT ACCOMPANIED REPORTING ON ENERGY MESSAGE REFLECTED SAME PREOCCUPATIONS AS EXPRESSED BY MINISTRY OFFICIAL. BRAZILIANS ARE PARTICULARLY SENSITIVE TO ENERGY PROBLEMS BECAUSE THEY HAVE ALREADY LIVED WITH SOME OF THEM ( E. G., INADEQUATE COAL AND OIL RESOURCES) AND, THEREFORE, RECOGNIZE WIDE AREA OF COMMON CONCERN WITH THE US. BRAZIL' S DEPENDENCE ON MIDDLE EAST OIL IS AN IMPORTANT ELEMENT IN DETERMINING FOREIGN POLICY, AND GOB DECISION MAKERS ARE CAUTIOUS IN TAKING ACTIONS THAT MIGHT JEOPARDIZE THEIR RELATIONS WITH ARAB COUNTRIES. IN SPITE OF THEIR STRONG STAND AGAINST TERRORISM, THIS AMBIVALENCE SHOWED ITSELF IN GOB RELUCTANCE TO SUPPORT THE US INITIATIVE IN ICAO FOR CONCRETE MEASURES TO COMBAT AIR TERRORISM.  
ROUNTREE

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NMAFVVZCZ

\*\*\* Current Handling Restrictions \*\*\* n/a

\*\*\* Current Classification \*\*\* LIMITED OFFICIAL USE

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
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**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
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**Draft Date:** 07 MAY 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** kelleyw0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Film Number:** n/a  
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**Office:** ACTION EB  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
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**Secure:** OPEN  
**Status:** <DBA CORRECTED> mcm 971211  
**Subject:** REACTION TO PRESIDENT' S ENERGY MESSAGE  
**TAGS:** ENRG, BR  
**To:** BELEM  
EB  
PORTO ALEGRE  
RECIFE  
RIO DE JANEIRO  
SALVADOR  
SAO PAULO

SECSTATE WASHDC

**Type:** TE

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